LEGISLATIVE LIBRARY OF BRITISH COLUMBIA
3 3298 00245 2895

THE LEGISLATIVE ASSEMBLY OF
BRITISH COLUMBIA

Miscellaneous Matters

Select Standing Committee on
Public Accounts
Report

2001

LEGISLATIVE LIBRARY
VICTORIA BC V8V 1X4 APR 11 2001

National Library of Canada Cataloguing in Publication Data

British Columbia. Legislative Assembly. Select Standing Committee on Public Accounts.
Miscellaneous matters

"Select Standing Committee on Public Accounts report."
Issued as the Standing Committee's 14th report of the 4th Session, 36th Parliament. Cf. Covering letter.

Submitted to Legislative Assembly of British Columbia. Cf. Covering letter.

ISBN 0-7726-4506-X

1. School employees - Professional ethics - British Columbia. 2. Medical personnel - Professional ethics - British Columbia. 3. Finance, Public - British Columbia - Accounting. 4. School violence - British Columbia – Prevention - Evaluation. 5. Public schools - British Columbia - Safety measures - Evaluation. I. Title.

HJ9921.Z9B74 2001 352.4'39'09711 C2001-960076-3

OFFICE OF THE CLERK OF COMMITTEES

Location:
Room 224, Parliament Buildings
Victoria, British Columbia
V8V 1X4

Telephone: **(250) 356-2933**

Toll free at: **1-877-428-8337**

Fax: **(250) 356-8172**

Email: **ClerkComm@leg.bc.ca**

Internet Homepage:
This report and others are available at our Internet Homepage which also contains further information about this and other Select Standing and Special Committees: **http://www.legis.gov.bc.ca/cmt**

101-05430/

February 21, 2000

To the Honourable,
The Legislative Assembly of
the Province of British Columbia
Victoria, British Columbia

Honourable Members:

We have the honour to present the *Fourteenth Report* of the Select Standing Committee on Public Accounts for the Fourth Session of the Thirty-Sixth Parliament.

This *Fourteenth Report* covers the work of the Committee on the matters of:

- Standards of Conduct in the Education and Health Sectors;
- Government Financial Accountability for the 1998/99 Fiscal Year; and,
- Fostering a Safe Learning Environment: How the British Columbia Public School System is Doing.

Respectfully submitted on behalf of the Committee.

Mr. Rick Thorpe, MLA
Chair

Mr. Dan Miller, MLA
Deputy Chair

TABLE OF CONTENTS

STANDARDS OF CONDUCT IN THE EDUCATION AND HEALTH SECTORS 1

Introduction 1

What standards exist and what they cover 2

Administering Standards of Conduct 4

Awareness and training 5

Public reporting 6

Monitoring compliance 6

Conclusion 7

GOVERNMENT FINANCIAL ACCOUNTABILITY FOR THE 1998/99 FISCAL YEAR 9

Introduction 9

Part 1 - Report on the 1998/99 Public Accounts 9

Part II - Report On The Provincial Debt 14

Conclusion 18

FOSTERING A SAFE LEARNING ENVIRONMENT: HOW THE BRITISH COLUMBIA PUBLIC SCHOOL SYSTEM IS DOING 19

Introduction 19

Issues Canvassed by the Committee 20

Conclusion 25

APPENDICES 27

I - Submissions 27

II - Research Documents 28

III - Recommendations of the Auditor General 29

STANDARDS OF CONDUCT IN THE EDUCATION AND HEALTH SECTORS

INTRODUCTION

In the 1996-97 fiscal year, the Auditor General reported on standards of conduct in the government's ministries and major Crown corporations in "Ethics Codes in the Public Sector." In "Standards of Conduct in the Education and Health Sectors," part of his 1999/2000 Report 9, the Auditor General extends this type of study to public sector organizations involved in the education and health sectors- school districts, colleges, educational institutes, universities and health authorities.

Standards of conduct are defined in the Auditor General's report as policies, rules and guidelines by which an organization sets out expectations for its board members and staff relating to the conduct of business and stewardship of public resources. While the standards for public service employees (persons appointed under the *Public Service Act*, R.S.B.C. 1996, c. 385) do not apply to the education and health sectors, they were a reference point for this study in terms of what standards do or should exist.

The Work of the Auditor General

In this study the Auditor General examined standards of conduct for board members, senior officials and staff in school districts, colleges, educational institutes, universities and health authorities. The study considered what standards had been put in place, responsibility for administration and compliance, awareness and training, monitoring for compliance, and public reporting of standards and compliance.

The Auditor General sent surveys to all 60 school districts and 28 publicly funded colleges, education institutes and universities in the province and spoke directly to representatives of 13 of these organizations. The Auditor General also spoke with senior Ministry of Health officials, the Health Association of British Columbia and senior representatives from nine of the province's 52 health authorities. Findings and conclusions included in the report are based on evidence available up to December 31, 1998.

The study focused on general standards of the organization that are applicable to all or most employees and board members, rather than specific standards applicable to designated individuals who are involved in certain types of activities or professional standards that apply to members of professional associations based outside the organization. Standards unique to the purpose or function of these particular organizations, such as the ethical treatment of patients, student conduct in schools or scholarly integrity, were not included in the study.

The Auditor General concluded that some aspects of content and administration of standards of conduct could be improved, and therefore provided recommendations for consideration to the Ministry of Education, the Ministry of Advanced Education, Training and Technology, and the Ministry of Health.

The Committee's Review

The committee discussed the study in March 2000. At that time, the committee received testimony from the Auditor General's Office and heard from ministry representatives regarding ministry responses and follow-up.

In its deliberations, the committee considered issues including:

- how organizational standards of conduct that currently exist compare to union and professional association standards that apply to some employees;
- how current standards of conduct in the sectors under consideration compare to standards developed for public service employees;
- whether ministries possess authority to establish standards for institutions in their respective sectors;
- what the cost implications are related to implementation of recommendations in the report;

- administration of standards of conduct and concerns regarding administrative workload;
- awareness and training; and
- responsibility for monitoring for compliance.

WHAT STANDARDS EXIST AND WHAT THEY COVER

The Auditor General recommends that:

1. *Each public sector organization in the education and health sectors should have standards of conduct for its board members, senior officials and employees.*
2. *There should be comprehensive and reasonably uniform standards of conduct for public business and the stewardship of public resources throughout the public sector. The government's Public Service Employee Relations Commission has issued "Standards of Conduct for Public Service Employees" and Ministry of Health policies require the health authorities to include the topics covered by these standards in their own standards for their employees. We believe that the province's publicly-funded school districts, colleges, educational institutes and universities should consider developing standards along the same lines.*

The Auditor General's study indicated that universities, colleges and educational institutes generally had standards of conduct for their boards and staff but that school districts generally did not. Health authorities are required by Ministry of Health policies to have standards. The Auditor General suggested that each public sector organization in these sectors should have standards for board members and staff and that standards should be comprehensive and reasonably uniform throughout the public sector.

Public service standards of conduct, as issued by the Public Service Employee Relations Commission (PSERC), were identified by the Auditor General as a useful guideline for development of standards. At the time of the study, Ministry of Health policy already required that standards for employees of health authorities include at least the same topics as standards for public service employees.

School Districts

The committee heard that 57 percent of school districts responding to the Auditor General's survey had prepared standards of conduct for their trustees but only 27 percent had such standards for senior officials and other staff. However, committee members learned that the *School Act*, R.S.B.C.1996, c. 412, as amended, imposes many standards which school district staff and boards must follow, including a general requirement that the "highest morality must be inculcated" in schools. Generally, education sector standards of conduct were found to be less comprehensive than PSERC standards for public service employees.

While the study specifically excluded examination of the standards of unions and professional associations that board members or staff might belong to, a few school districts indicated in their survey responses that the existence of such standards eliminates the need for school districts to develop their own policies. Committee members also raised the question of whether further standards were necessary, particularly for teachers. They drew attention to standards or expectations set out by the *School Act*, the British Columbia Teachers' Federation, local teachers associations, the Principals and Vice-Principals Association and the College of Teachers. As well, the committee was interested in whether evidence exists which might illustrate the need for further standards. For trustees, it was suggested that the public scrutiny that elected officials face is an implicit standard in itself.

Auditor General's Office representatives submitted that despite the existence of union and association standards, a public sector organization's own standards are important for a variety of reasons. For example, it was noted that membership in associations is not always mandatory and that professional associations have not only professional standards but also the self-interest of their members as an objective. Further, association standards are not considered to address the same issues as PSERC standards or the standards that the Auditor

General's Office feels are relevant to organizations. Direct accountability and clear communication were also identified as advantages of organizational policies on conduct standards.

The committee was advised by a Ministry of Education representative that while the ministry has taken steps to ensure that school districts are aware of the Auditor General's recommendations, the position of the ministry is that it does not have the authority to require school districts to implement a set of standards of conduct and that responsibility for determining standards of conduct for trustees and employees resides with school boards. The ministry submitted that school boards are distinct corporate entities and have substantial autonomy within the framework of the *School Act* and related legislation.

The ministry expressed support for review of standards of conduct by school boards in relation to PSERC's standards for the public service. The committee was advised that in January 2000 the ministry had suggested in a letter to school board chairs and superintendents that school boards consider adopting standards similar to PSERC's standards for government employees.

The committee learned in March 2000 that the Ministry of Education had provided school districts with the Auditor General's recommendations for their consideration. Additionally, the committee was advised by the ministry in April 2000 that copies of the Auditor General's recommendations had been discussed at superintendents' meetings. In November 2000, the ministry further advised that copies of the recommendations had been sent to the British Columbia School Trustees Association and the ministry's regional coordinators.

Post-secondary Institutions

Committee members heard that most colleges, educational institutes and universities were found to have standards of conduct, although in many cases these standards did not cover the majority of topics the Auditor General's Office was interested in. Colleges and educational institutes are required by government policy to adopt bylaws addressing board member conflict of interest and standards of conduct, so standards for boards are in existence at these institutions. As well, most have established standards for senior officials and staff. At the time of the Auditor General's report, four of the province's six universities had standards of conduct. The ministry advised the committee in March 2000 that the two remaining universities had finalized their draft standards since the Auditor General's study was conducted.

The Ministry of Advanced Education, Training and Technology submitted to the committee that responsibility for standards of conduct rests with the individual post-secondary institutions rather than with the ministry. The ministry noted that the *University Act*, R.S.B.C. 1996, c.468, as amended, provides that university boards of governors are responsible for the management, administration and control of a variety of university affairs, including issues of conduct. However, under the *College and Institute Act*, R.S.B.C. 1996, c.52, as amended, colleges and educational institutes are required to establish conflict-of-interest bylaws, because of the fact that their boards of governors include faculty, students and members of other stakeholder groups.

Committee members learned in March 2000 that the ministry had distributed copies of the Auditor General's report to post-secondary institutions encouraging them to respond to recommendations as appropriate.

Health Authorities

Health authorities- regional health boards in urban areas and community health councils and community health services societies in more rural areas- are led by volunteer boards of appointed citizens responsible for policy decisions and corresponding administrative structures responsible for management. The Auditor General's report drew attention to two Ministry of Health policies pertinent to standards of conduct for health authority boards and employees.

One of these policies, "Conduct of Health Authority Board Members," contains standards regarding conflict of interest for health authority board members. However, board members are also given five duties, covering

integrity, loyalty, diligence, confidentiality and prudence. Another policy, "Standards of Conduct for Employees," requires that health authorities develop standards of conduct for their employees and that these standards cover at least the topics covered in the provincial government's standards of conduct for the public service. However, due to the 1997 regionalization of health authorities, implementation of this policy was still in progress at the time of the Auditor General's study.

A Ministry of Health representative advised the committee of the ministry's intention to take various actions in response to the Auditor General's recommendations. These included making the report and recommendations available to health authorities, revising ministry policy to incorporate the recommendations regarding designation of standards-of-conduct officers and keeping standards up to date, and expressing its expectation that the health authorities take action regarding orientation and reporting on standards of conduct. The ministry's position is that orientation and public reporting are the responsibility of the health authorities themselves. In November 2000, the ministry advised the committee that it has taken the above steps, although the Auditor General has not yet reviewed these actions.

Cost Issues

The cost of implementing standards of conduct along the lines of the Auditor General's recommendations was also a concern raised by the committee. An Auditor General's Office representative noted there would be a cost related to establishing standards but did not believe this cost to be considerable. As well, it was acknowledged that training would be a cost, but it was expected that such training would be incorporated into existing orientation programs.

The Ministry of Education advised that the cost for school districts would vary from district to district. Representatives of the Ministry of Education and the Ministry of Advanced Education, Training and Technology indicated that costs would primarily be in staff time dedicated to these ends.

The Ministry of Health submitted that the ministry considers implementation of standards of conduct to be good business practice and that there may be significant costs, such as litigation, associated with not implementing standards.

Neither the Auditor General's staff nor ministry representatives attempted to quantify these costs.

Administering Standards of Conduct

The Auditor General recommends that:

3. *There should be a senior official in each organization who is designated as the standards-of-conduct officer, who is responsible for the administration of standards of conduct in the organization. The individual should be supported by a committee of the board or some other senior group.*
4. *Formal processes should be established in each education and health sector organization to ensure that standards are reviewed on a regular basis, and updated where necessary.*

In both the health and education sectors, the Auditor General found that administration of standards for staff was considered to be part of general management duties, rather than the responsibility of a formally designated official. Some boards were considered to be responsible, either individually or collectively, for self-administration, while for other boards, the board chair, secretary or chief executive officer (i.e., president of the university, college or institute, or the school superintendent) had this responsibility. Notably, in the area of conflict of interest, one university had appointed a "conflicts administrator" to administer the board's policy. As well, the Ministry of Health requires health authorities to designate someone to provide guidance on and receive reports on breaches of the standard of conflict of interest.

The committee expressed concern that designating a standards-of-conduct officer, or creating this function, would increase administrative workload. In particular, concern was expressed regarding the workload of administrators in the K-to-12 system. It was suggested that cutbacks have already created workload pressures to the extent that administrators are currently unable to fully address some direct educational functions.

A Ministry of Education representative acknowledged that there are pressures on administration, but indicated that if the role of a standards-of-conduct officer were an advisory role, then this would be a reasonable role for a superintendent of schools to have.

A representative of the Auditor General's Office advised the committee that a primary purpose of designating a standards-of-conduct officer is to clearly identify an individual that board members or staff can go to with a problem. Further, it was suggested that vesting this responsibility in one person would be more efficient in that it would allow one person to gain expertise, provide advice and coordinate the whole process.

The study also indicated that while not every organization had standards of conduct or had standards covering a broad range of topics, where standards exist, they generally had been reviewed or updated recently. The Auditor General noted that regular review is preferable to updating standards "as and when required" because of the increased likelihood of preventing problems from arising.

As noted above under What Standards Exist and What They Cover, the committee was advised in November 2000 by the Ministry of Health that ministry policy has been revised to address the report's recommendations regarding designation of a standards-of-conduct officer and maintaining up-to-date standards, although this policy change has not been reviewed by the Auditor General.

More than 90 percent of survey respondents who had standards of conduct in place indicated they were satisfied with the effectiveness of their standards in maintaining proper behaviour of board members and staff. The Auditor General did not find any correlation between the organizations that had not updated or reviewed their standards recently and dissatisfaction with standards. The Auditor General's survey asked respondents to identify what they regarded as critical factors in encouraging ethical behaviour. Leadership by the board and senior management was the most common response, followed by promotion of the standards through staff development and formal training.

Awareness and Training

The Auditor General recommends that

5. *Orientation in ethical topics for existing officials and employees should be increased in all education and health sector organizations to sensitize individuals and heighten their awareness as to the requirements of the standards of conduct.*

The committee heard that in all sectors surveyed, board members and new employees receive some form of official orientation to the organization's standards. As well, most board members must formally acknowledge, either by swearing an oath or providing a written statement, that they have read and understood the policies. However, the Auditor General also found that there was little ongoing refresher training for existing employees and that, while orientation or training was provided when a new and significant policy was introduced, organizations generally relied on staff meetings and mentoring to keep staff up to date.

The committee noted that school districts already experience pressures on funding to conduct basic educational programs and expressed concern regarding the funding that would be required to implement orientation on the requirements of standards of conduct. It was suggested that without additional funding targeted for this orientation, school districts would face difficult decisions in terms of how to allocate limited discretionary funding.

A representative from the Ministry of Education explained that school boards are funded on the basis of a block funding system, according to factors such as student enrolment, the number of schools in the district, and geographic dispersion. School boards would therefore be required to pay for costs associated with orientation activities out of their general budgets. The ministry's representative was not aware of whether government would be seeking to enhance school board budgets to respond to this report. However, it was suggested that teaching staff already have an awareness of ethical issues due to the presence of issues such as diversity and multiculturalism in the curriculum. As well, it was submitted that collective agreement standards

regarding discrimination, harassment and other issues contribute to awareness of ethical issues in the education system.

As noted above, in response to a broader question with respect to the cost of implementing the recommendations in this report, a representative from the Auditor General's Office noted that there would be a cost to ongoing training but did not attempt to quantify this cost. However, he noted that most organizations already have orientation programs for new employees, and argued that a cost-effective way to provide orientation on standards of conduct would be to integrate these issues into existing programs.

The Ministry of Health advised the committee that its position is that orientation on standards of conduct is the responsibility of the health authorities themselves, and it has expressed this understanding to health authorities.

PUBLIC REPORTING

The Auditor General recommends that:

6. *Public accountability reporting about the existence of standards of conduct, their usefulness to the organization, and the processes for administering them should be considered by the education and health sector organizations so that the public is better informed about the existence and value of the standards.*

The Auditor General's survey indicated that formal public reporting of standards of conduct, administrative processes and compliance with standards was not happening. However, he did note that for those who look for it, some information is available. For example, information about the policies of organizations is increasingly available on the Internet. Also, except for in-camera meetings, board meetings and minutes are open to the public.

As noted above, the Ministry of Health advised the committee that it believes that orientation on standards of conduct is the responsibility of the health authorities themselves.

MONITORING COMPLIANCE

The Auditor General recommends that:

7. *Monitoring for compliance with the standards of conduct on a periodic basis should be considered.*

The committee was advised that to identify and resolve problems, the organizations in the sectors surveyed relied on individual self-assessment, the normal supervisory duties of line managers and complaints by others about an individual's transgressions. Apart from one university that had a conflict-of-interest administrator, the Auditor General found no formalized proactive monitoring for compliance, although some standards require individuals to report breaches by others if they become aware of them. However, the committee was advised that where standards of conduct issues are also covered by human rights legislation, there are formalized reporting procedures for complaints, either in policy documents or in collective agreements.

The Auditor General's survey found that some school districts, colleges and educational institutes (but no universities who responded) had taken action in the previous two years regarding concerns identified as a result of breaches of standards. (Because they were only recently required to have standards of conduct, health authorities were not consulted with respect to actions taken.)

The committee raised the question of who would be responsible for monitoring for compliance. It was suggested that if responsibility for standards of conduct rests at the local level, as submitted by the Ministry of Education and the Ministry of Advanced Education, Training and Technology, then responsibility for monitoring of compliance should also be a local responsibility.

A representative of the Auditor General's Office suggested that monitoring would be done primarily at the local level by the person designated as the standards-of-conduct officer. However, it was suggested that ministries should perhaps also engage in occasional monitoring.

CONCLUSION

In its deliberations, the committee considered the standards of conduct in existence in the education and health sectors, the findings and recommendations of the Auditor General and the responses of the Ministry of Education, the Ministry of Advanced Education, Training and Technology, and the Ministry of Health.

The Auditor General found that while universities, colleges and educational institutes had prepared standards of conduct for their boards and staff, school districts generally had not. However, the *School Act* imposes many standards which school districts and staff must follow. The committee also notes that many employees are accountable to unions and/or professional associations for ethical standards, and school trustees are accountable as elected officials to the public. Generally, standards of conduct at educational organizations were found by the Auditor General to be less comprehensive than PSERC standards for public service employees.

Schools districts, universities, colleges and educational institutes have been informed of the Auditor General's recommendations. However, the Ministry of Education has indicated that it does not have the authority to require school districts to implement a set of standards of conduct and that responsibility for determining standards of conduct for trustees and employees resides with school boards. Similarly, the Ministry of Advanced Education, Training and Technology has advised that responsibility for standards of conduct rests with individual post-secondary institutions.

Health authorities are required by Ministry of Health policies to have standards of conduct for board members and staff. For employees of health authorities, the ministry requires that standards include at least the same topics as existing standards for the public service.

In March 2000, the Ministry of Advanced Education, Training and Technology committed to follow up with institutions in its sector to inquire about their progress in implementing the Auditor General's recommendations. The ministry requested status reports from institutions in the summer of 2000, and submitted a summary of responses to the committee in February 2001. In its submission, the ministry noted that it appears that the Auditor General's recommendations are already in place at, or have been implemented by, a majority of the post-secondary institutions which responded to the ministry's survey. The summary report indicates a survey response rate of 100 percent from the province's universities and 91 percent from institutions in the colleges and institutes sector.

Similarly, the Ministry of Health committed in March 2000 to follow up with health authorities regarding steps taken by them to respond to the Auditor General's recommendations 3 through 7. In January 2001, the ministry submitted a summary of responses from health authorities reflecting data available as of January 19, 2001. The summary indicates a compliance rate amongst those health authorities that responded of 75 percent for recommendation 3, 67 percent for recommendation 4, 60 percent for recommendation 5, 15 percent for recommendation 6, and 35 percent for recommendation 7. Health authorities responded at a rate of 90 percent, and the data measures how many health authorities have reported compliance. The ministry has advised that it is continuing to follow up with health authorities to assess their progress in implementation of these recommendations.

Your committee was pleased to receive status reports from the Ministry of Advanced Education, Training and Technology and the Ministry of Health regarding surveys of institutions within their respective sectors. The Auditor General plans to complete a follow-up review of the status of recommendations relating to standards

of conduct at institutions across the education and health sectors in March 2001, and the committee looks forward to receiving the results of that review.

Committee Recommendation:

Your committee endorses the seven recommendations of the Auditor General regarding standards of conduct in the education and health sectors as set out in the Auditor General's 1999/2000 Report 9.

GOVERNMENT FINANCIAL ACCOUNTABILITY FOR THE 1998/99 FISCAL YEAR

INTRODUCTION

In September 1999, British Columbia's public accounts and debt statistics for the fiscal year 1998/99 were published. Pursuant to the *Auditor General Act*, the Auditor General is required to examine the government's accounts and records and to report annually to the Legislative Assembly on the financial statements of the province. In addition, in each year since 1991/92, the Auditor General has commented on the government's reporting of public debt.

The Auditor General released his report on the public accounts and debt reporting for 1998/99 in January 2000. The report is composed of two parts: part one contains the Auditor General's report on the 1998/99 public accounts, and part two provides the Auditor General's comments regarding the reporting of public debt.

The committee met in May, June and October of 2000 to discuss the findings and recommendations arising from the audit. At that time, the committee heard evidence from representatives of the Auditor General's office, the Comptroller General for the province and representatives of the Provincial Treasury.

PART 1 - REPORT ON THE 1998/99 PUBLIC ACCOUNTS

The 1998/99 Public Accounts for the Province of British Columbia

The 1998/99 public accounts for the province of British Columbia are composed of two volumes. Volume 1 includes:

- The audited Summary Financial Statements, which provide a more complete accounting for government organizations;
- A commentary on financial data reported in the Summary Financial Statements;
- Unaudited information on results of organizations excluded from the Summary Financial Statements;
- An overview of the government's financial reporting.

The second volume of the public accounts for 1998/99 is the government's report to the Legislature on revenues raised and expenses made for the Consolidated Revenue Fund (CRF) and contains:

- The audited financial statements;
- Unaudited supplementary schedules to the CRF financial statements.

The committee notes that the government has continued to improve the timeliness of its release of the public accounts. The1998/99 public accounts were released in September 1999.

The *Budget Transparency and Accountability Act*, S.B.C. 2000, c. 23, which passed third reading in July of 2000, requires the public accounts to be released publicly by August 31st each year. The 1999/00 public accounts were released on August 24, 2000, and the Comptroller General, in cooperation with the Auditor General, has advised the committee that he is targeting release of the 2000/01 public accounts by August 1, 2001.

Financial Highlights

The committee was provided with financial highlights for the fiscal year 1998/99, restated by the Auditor General's office to include capitalization of assets, and the full reporting entity. In particular, the committee learned that for 1998/99:

- Total revenue was $25.1 billion, of which 54% was taxation revenue;
- Total expenses amounted to $26.3 billion, of which health was the largest component at 31%;
- Accumulated deficit rose 32.3% over the past five years, from $6.5 billion to $8.6 billion;
- Net public debt rose 19.5% over the last five years, from $27.1 billion to $32.4 billion (19.5%);

Net liabilities rose 24.7% over the last five years, from $17.0 billion to $21.2 billion.

Reporting Entity

The committee learned that the Auditor General's opinion on the report on the summary financial statements for 1998/99 was qualified, due to the fact that the statements do not include results for the "SUCH sector" (school districts, universities, colleges and institutes, regional hospital districts and public health care organizations). According to government's general accounting policies, these organizations are excluded because they are entities that have initial accountability to a local board, rather than to a minister of government or directly to the Legislature. However, the Auditor General emphasized that the provincial government has authority and responsibility for the overall finances of SUCH sector organizations and that failure to include them in the province's reporting entity in his opinion constitutes deviation from generally accepted accounting principles, and impacts on accountability. Representatives of the Auditor General's office also advised that at that time only three provincial governments in Canada (British Columbia, Alberta and Quebec) had yet to arrive at substantial agreement with provincial auditors regarding composition of the reporting entity.

As it has in the past, committee members discussed the issue of British Columbia's reporting entity in detail. Some members expressed concern about qualification of the audit opinion for the 1998/99 public accounts due to the reporting entity issue, noting that other provinces following similar practices with respect to reporting entity have not had financial statements subject to such qualification. For example, the Comptroller General provided the committee with information indicating that as of April 2000 no other province in Canada included all organizations making up the SUCH sector in its reporting entity. Others expressed concern about the practicality of holding the provincial government accountable, through its financial statements, for spending decisions made at the local level, and decisions relating to funds generated independently by SUCH sector organizations (i.e. through fundraising efforts). The committee also raised the issue of the impact of a qualified audit opinion on British Columbia's credit rating.

The Comptroller General informed the committee that the decision to exclude the SUCH sector from the reporting entity is not a financial issue, but rather an issue of principle, and noted that the larger reporting entity as recommended by the Auditor General would have improved the government's 1998/99 operating results by $45 million. Furthermore, he noted that although not included in the summary financial statements, results for the expanded reporting entity are in fact disclosed in a separate set of statements.

The Auditor General noted that in determining a province's credit rating, a vast range of factors other than financial statement audit results are examined.

Government Accounting Standards and Policies

The committee discussed the Auditor General's findings regarding government accounting policies and standards as they relate to the 1998/99 public accounts. Committee members learned that accounting policy changes were introduced for the 1998/99 public accounts relating to the following:

Prepaid capital advances: previously, the Auditor General had qualified his audit opinion on the consolidated revenue fund financial statements due to the accounting treatment of fiscal agency loans funded by future appropriations. Under a new policy introduced in the 1998/99 public accounts, funds advanced by the government to specified government organizations for the purchase of tangible capital assets are recorded as an asset of the province, and must be amortized over the estimated useful lives of the underlying tangible capital assets. The rationale behind this capitalization policy is that the province has an ongoing claim to the use of tangible capital assets acquired by government organizations from the capital fund advances provided by the province;

Government transfers: for the 1998/99 fiscal year, the government also revised its accounting policy regarding government transfers, requiring them to be recorded in the period that best reflects the substance of the underlying events. The Comptroller General told the committee that ministry policy manuals are being updated to include the new procedures;

Government partnerships: the government has adopted a new policy to include the account balances and results of government partnerships in the province's financial statements.

The committee also considered the application of government accounting policies, including prepaid capital advances for health facilities, capitalization of tangible capital assets, liability for post-retirement benefits, contingent liability for environmental clean-up costs, the insurance risk management account, gross basis of accounting, contributions to government organizations, and accounting for government enterprises.

Prepaid Capital Advances for Health Facilities

The committee learned that when the province and Greater Vancouver Regional District entered an agreement in 1997 relating to a transportation initiative, and created the Greater Vancouver Transportation Authority ("GVTA"), some of the responsibilities delegated to the GVTA included certain funding arrangements and responsibility for future expansion of the transportation system in the area. As part of the agreement, the province was to assume responsibility for the Greater Vancouver Regional Hospital District's ("GVRHD") share of hospital costs, thus allowing the GVTA to replace the existing hospital levy with a regional transportation levy.

On January 1, 1999, the government dissolved the GVRHD, released its debt and accounted for it as a prepaid capital advance. This accounting treatment was employed on the basis that the funds originally advanced to GVRHD by the government were used for the construction of health facilities in the district, which will be used for the delivery of future health care services. The Auditor General is of the view that, because of the way the arrangement was documented, it is unclear whether release of GVRHD's debt was a funding activity related to health care, or related to the transfer of transportation responsibilities to the GVTA. He has recommended that in all cases - but particularly when negotiating significant multi-lateral business transactions - the government clearly articulate its underlying intentions and the economic effects that it is expecting to realize, so that proper accounting of those transactions can be determined.

The Comptroller General expressed the view that the financial statements of the province do reflect the economic substance of the transaction. He advised the committee that the assumption of the GVRHD's debt resulted in the province increasing its interest in the underlying assets from sixty percent to one-hundred percent, and that this was an important determinant in establishing the intention and effects of the transaction.

Capitalization of Tangible Capital Assets:

In the 1995/96 fiscal year, the government started the process of capitalizing tangible capital assets, including land, highways and computers, and plans to complete the process by 2002. In particular, committee members learned that:

- The Auditor General has recommended that the government continue its effort to develop a central database of relevant information on all land owned by the Province and, once the database is completed,

maintain and update the information on a timely basis. At the time the committee met on this topic, this work was still underway;

- The Auditor General has recommended that the government develop guidelines to help government negotiators and the Comptroller General determine which costs incurred when creating a park should be capitalized and which costs should be charged to normal operations. The Comptroller General made the committee aware that the government has incorporated such guidelines into its Financial Administration and Procedures manuals. As well, additional guidance was added to the manuals in 1999/00 to address the Auditor General's concerns relating to park land acquisition costs associated with purchase of land as part of a package deal or series of transactions;
- The majority of work in capitalizing the province's highway assets in the province's financial statements was completed at the time the committee met in June 2000;
- The Auditor General and Comptroller General have differing views regarding the treatment of software development costs. The Auditor General has indicated that treatment has been inconsistent, in that the cost of employee salaries directly attributable to the construction or development of these assets has not been included in the capitalization, while the cost of contractors' fees performing similar development tasks would be included. He has recommended that the government review its accounting policy for constructed assets to ensure all costs directly attributable to the construction or development of assets are capitalized. However, the Comptroller General noted that ministry budgets provide for salaries of employees contributing to the development of a tangible capital asset, because there is a need to ensure that monies voted in estimates are not used for purposes other than those for which they were intended. However, this policy may be revisited once capitalization is fully implemented, and the necessary control systems are in place.

Some committee members expressed reservations about the capitalization of assets. Specific concerns related to the difficulty in valuation of silviculture and land assets, and whether capitalization creates a "holiday period" for operating budgets and minimizes the amount of expenditures being recorded.

The Comptroller General acknowledged the difficulties in valuing silviculture assets, and noted that the government is still examining this issue. With respect to land, the Comptroller General advised that capitalization is not done unless the government is paying or exchanging for acquisition of land or disposing of it, and noted that it is beneficial in order to ensure that the financial consequences of government donating land are ascertainable.

The committee discussed the advantages of capitalization of tangible assets, with the Comptroller General advising that capitalization results in benefits in the areas of program costing, accountability and disclosure of assets, their costs, and loss or damage to those assets. He also submitted that capitalization of tangible assets assists with the disposal of assets through the Purchasing Commission. It was emphasized to the committee that no "holiday period" has been created by capitalization of assets, in that the policy has been implemented retroactively to require ministries to amortize assets that had already been expensed. Furthermore, the policy is being phased in over several years to minimize any wins or losses between amortization and traditional methods of accounting for capital spending in a fiscal year.

Capitalization of assets is further being examined by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. It appears that PSAB guidance will soon fully support capitalization as implemented in British Columbia.

Liability for Post-Retirement Benefits

The Auditor General has recommended that a reasonable estimate of post-retirement benefits (e.g. payment of Medical Services Plan and extended health care premiums) be included as a liability in the financial statements of the province. However, the Comptroller General noted that only recently has the Canadian Institute of Chartered Accountants provided guidance regarding post-retirement benefits. He also made the committee aware of other discussions currently underway regarding joint trusteeship for pensions plans, and

pension accounting generally, that may have an impact on the direction of the institute's guidelines. There are plans to work with the Auditor General's office in this regard.

Contingent Liability for Environmental Cleanup Costs

The government has included an accrual in the province's books to provide for the cost of cleaning up known contaminated sites for which the province is responsible ($44 million as at March 31, 1999). The Auditor General has recommended that the government establish formal procedures for reviewing annually the reasonableness of the environmental clean-up liability recorded in the Public Accounts. He has also called on the government to ensure that all provincial sites for which the Province is responsible are evaluated for possible contamination, so that the total liability for restoring contaminated sites can be determined.

The Comptroller General advised that a note in the province's financial statements does reflect anticipated environmental cleanup costs, and ministries have been asked to identify potential costs to the extent possible. However, he told committee members that estimations may be difficult and expensive until clean-up work is actually undertaken, although a recent study by the British Columbia Buildings Corporation may offer additional guidance in this regard.

Insurance Risk Management Accounts

The government has a self-insurance program, and transactions related to the program (including insurance premiums collected, claims paid out and liability for claims received) are recorded in a special account in the Consolidated Revenue fund. The committee learned that for the 1998/99 fiscal year, the government introduced a policy to account for all its potential liability relating to incidents that have occurred as of March 31st of a given year but for which no claim is yet received. This liability is determined by an actuarial valuation of such claims.

Gross Basis of Accounting

The committee was advised that in the Consolidated Revenue Fund financial statements contained in the 1998/99 public accounts, the government continued to net some expenses against revenues. However, representatives of the Auditor General's office have noted that financial statements should be presented on the gross basis of accounting, and has recommended that the government use the gross basis of accounting for the consolidated revenue fund financial statements, and avoid the reporting of government revenues as recoveries of expenses.

The Comptroller General indicated his disagreement with the Auditor General's recommendations, submitting that the gross basis of accounting is not used in the consolidated revenue fund financial statements in order to provide management with cost-recovery incentives. He further noted that the summary financial statements are already prepared on a gross reporting basis. However, a study of netting is to be concluded in 2001, which will provide more information regarding appropriate principles and implications.

Contributions to Government Organizations

The committee engaged in an extensive discussion relating to contributions to government organizations. Representatives of the Auditor General's office advised committee members that, for government contributions to be recorded as an investment, there must be a reasonable expectation of financial return. However, according to the Auditor General $45 million in contributions made from the Consolidated Revenue Fund to the Columbia Basin Trust in 1996 have been recorded as an investment without any apparent expectation of a financial return. The Auditor General is of the view that the contribution is in the nature of an economic development payment or grant rather than an investment. He has recommended that the initial contribution to the Columbia Basin Trust, currently recorded as an investment in the Consolidated Revenue Fund, be written off and expensed as a grant in the Province's accounts.

However, the Comptroller General submitted that amounts advanced to government organizations should only be written down if asset values are less than amounts advanced. In this regard, he provided your committee with information indicating that the assets of the trust included over $55 million in deposits and

securities as of March 31, 1999. In discussion with some members of the committee, he also agreed that the contributions may be viewed as an investment that has social returns, as opposed to more traditional financial returns. Representatives of the Auditor General's and Comptroller General's office did agree that treatment of the contribution is not an issue in the summary financial statements, and the Comptroller General has emphasized that the recent movement to only summary financial statement reporting will reduce the significance of the issue.

Accounting for Government Enterprises

In the government's summary financial statements, information relating to government organizations is "fully consolidated", meaning that all revenues, expenses, assets and liabilities of a government organization are aggregated on a line-by-line basis after they are adjusted for compliance with the government's stated accounting policies. On the other hand, information relating to government enterprises (commercial enterprises) is recorded using a "modified equity method", whereby only the original costs of government's investment, adjusted annually for the net earnings, losses and other equity changes, are recorded. This practice is consistent with current recommendations of the Canadian Institute of Chartered Accountants' Public Sector Accounting Board. However, the Auditor General has submitted that the summary financial statements would provide better accountability information if all government enterprises were fully consolidated on a line-by-line basis.

The Comptroller General advised the committee that there is now better reporting of information relating to government enterprises.

Part II – Report On The Provincial Debt

Part II of the Auditor General's report on the 1998/99 public accounts provides comments regarding the reporting of provincial debt and debt management planning. Figures provided in the Auditor General's report have been calculated as if all entities were fully consolidated in the government's summary financial statements, and includes debt borrowed by SUCH sector organizations, which is not included in the summary financial statements. Therefore, the committee notes that debt figures as presented in the Auditor General's report may differ from those appearing in the government's annual Debt Statistics report.

Debt Measures and Indicators

The Auditor General has identified key measures and indicators, as recommended by the Canadian Institute of Chartered Accountants, necessary for accountability on debt. The Debt Statistics report produced by the government each year is the primary mechanism by which these key measures and indicators of public debt are reported in British Columbia.

The committee discussed these measures and indicators, and learned that at March 31", 1999:

Total provincial debt was $32.4 billion; in the ten years ending March 31, 2000 debt doubled from $17 billion to $34 billion;

Debt to revenue ratio (the ratio of debt outstanding at year end to revenue from all sources for that year) increased from 95% to 98.2% between 1998 and 1999, meaning that debt grew at a faster rate than revenue;

Debt per capita (calculated by dividing total provincial debt by population of the province) had increased to $8,082 (5.6%) from the previous fiscal year, meaning that during fiscal 1998/99 the rate of increase in the debt was higher than the rate of increase in the population;

Debt to Gross Domestic Product ("GDP") increased to 29.9% from 27.7% in the previous year, implying that debt grew at a faster rate then the provincial economy during that time;

Interest bite (a measure of how much of total revenue is taken up by interest costs on debt, was 7.5 cents for each dollar of revenue during 1998/99, an increase over the previous year's figure of 7.2 cents;

Total cost of debt servicing (the provincial's government's cost of borrowing money) for 1998/99 were $2.477 billion;

Interest rate (an indicator of debt management performance) for taxpayer-supported debt for 1998/99 was 7.6%;

Changes in total debt amounted to $2.1 billion during the 1998/99 fiscal year.

During the committee's discussion it was noted that the Canadian Institute of Chartered Accountants has a series of recommended indicators. The Auditor General and the Comptroller General were asked to show how BC reports these measures. A summary report has been separately submitted to the committee.

Representatives of the Provincial Treasury noted that British Columbia's level of debt reporting is unparalleled amongst Canadian provinces, and that the provision of financial information will experience further improvements as a result of requirements contained in the *Budget Transparency and Accountability Act.* They also discussed the government's debt management performance, advising that in 1999/00, fiscal targets relating to deficit, debt-to-GDP ratio, and debt interest were met, and that only a modest increase in provincial debt is expected for 2000/01. The committee was further advised that British Columbia retains the second-highest credit rating in Canada (at March 31, 2000).

Provincial Treasury witnesses also discussed how the province's debt portfolio is managed. The committee learned that a risk committee, consisting of the Deputy Minister of Finance, Assistant Deputy Minister of the Provincial Treasury, and an external, independent member, oversees the activities of the Provincial Treasury's Debt Management Branch. Committee members were also advised that the following prudency measures are taken in management of the province's debt:

- Obligations are spread evenly across the maturity spectrum, with a policy limiting the level of maturing debt in any given year to $2.5 billion;
- Limiting foreign currency exposure to 10% (the rate as at March 31", 2000 was 7.4%, in U.S. and Japanese currencies), which the committee learned is conservative relative to other Canadian jurisdictions;
- Retention of a conservative level of floating rate exposure;
- Maintenance of an affordable level of debt, through low debt-to-GDP ratio and low debt interest costs that compare favourably with other Canadian jurisdictions, and are acknowledged by investment banks and international credit-rating agencies.

During the committee's deliberations, particular interest was expressed in trends relating to British Columbia's debt-to-GDP ratio (including the role of economic performance, commodity prices and increased borrowing), interest bite, and the impact of interest rates. The committee also considered reporting issues relating to the relationship between debt and deficit/surplus, and between capital investments and debt.

Debt-to-GDP

Representatives of the Provincial Treasury stated that slower economic growth related to the downturn in Asian markets, and rising debt levels, have both had an impact on British Columbia's the debt-to-GDP ratio. However, they submitted that it is difficult to be precise in measuring the impact of each. They also noted that although models are used to predict the future direction of commodity prices, changes are often unpredictable. For example, the extent of the recent rise in oil and gas prices was unanticipated, and some members noted the benefits that have flowed to the province of Alberta as a result. It was emphasized that, despite slow economic growth and increased debt levels, British Columbia is still viewed by credit-rating agencies as performing strongly in its debt-to-GDP ratio, and had the second-lowest debt-to-GDP ratio among Canadian provinces as of March 31", 2000. Committee members were also advised that the province's debt-to-GDP ratio is projected to stabilize and decline in the near future, and that the first quarterly report for 2000/01 forecast growth of 3% in provincial GDP, up from the original forecast of 2.3%.

Interest Bite

Committee members also reviewed the topic of British Columbia's interest bite. Representatives of the Provincial Treasury submitted that the province's interest bite for 1998/99 was considered by credit-rating agencies to be low and noted that the government's five-year fiscal-planning framework sets a cap of nine cents per revenue dollar. In a previous attendance before the committee by the former Secretary to Treasury Board, it had been noted that an interest bite of up to ten cents per revenue dollar would be considered acceptable.

Interest Rate

The committee examined the potential impact of interest rate changes on provincial debt, and measures the government is taking to manage the risk of future increases. Provincial Treasury witnesses submitted that it is difficult to predict interest rate changes, but provided assurance that central banks around the world have become very effective in reducing inflation levels, which is a significant factor affecting interest rates.

In response to a request from the committee, the Comptroller General provided information relating to different interest rate scenarios ranging from seven to ten percent, and their impact on debt servicing costs. The projections were based on the government's direct debt portfolio (government operating and capital debt), and made with the assumptions that over the period 2001/02 to 2004/05 interest rates remain constant, and no additional debt is incurred. That information indicates that the impact for each year, in terms of additional costs or savings over base debt servicing costs as outlined in Budget 2000, would be as follows:

- If interest rates averaged 7%, this would result in debt servicing costs increasing in 2001/02 by $12.5 million; however, by 2004/05, debt servicing costs would decrease by $11.1 million over current levels due to savings associated with the refinancing of maturing debt;
- If interest rates averaged 8%, increases in debt servicing costs would range from $87.4 million in 2001/02 to $101.3 million in 2004/05;
- If interest rates averaged 9%, increases in debt servicing costs would range from $162.2 million in 2001/02 to $213.7 million in 2004/05;
- If interest rates averaged 10%, increases would range from $237.1 million in 2001/02 to $326.1 million in 2004/05.

Provincial Treasury witnesses also advised that if no new borrowing was done and cash surpluses were generated, an average of $2 billion to $2.5 billion of debt would come off British Columbia's books in each year up to and including 2004/05.

Reporting Issues

Finally, the committee debated the need to ensure that government provides clear, comprehensible information to British Columbians about the relationship between provincial debt and deficit/surplus, and capital investments taking place in the province.

It was noted that efforts must be made to address public confusion surrounding how provincial debt can increase even in times of budget surpluses. The Auditor General has already expressed the view that information reconciling deficit with changes in debt should be contained in an audited statement in the public accounts. The Comptroller General submitted that the government is working to improve debt reporting, and explained that the 1999/2000 public accounts on page 92 provides a reconciliation. Further changes will be considered for the 2000/01 public accounts.

The committee learned that in 1999/00, $1.974 billion went to capital spending in the province. The Comptroller General reported that progress is being made in the disclosure of information relating to capital investments. For example, British Columbia's Budget 2000 was, for the first time, accompanied by reports disclosing major provincial assets and how they are related to provincial debt. Furthermore, section 8 of the *Budget Transparency and Accountability Act* requires the government to present information with the estimates for each year relating to projects to which it has committed more than $50 million for capital costs. The

committee also learned that the first quarterly report for 2000/01 contains information regarding capital spending underway in the current fiscal year.

Committee members were also provided with information relating to the methodology used in estimating employment created by capital construction, and discussed the multiplier effect of capital investment.

Skeena Cellulose Inc.

The committee also discussed the impact of funding for Skeena Cellulose Inc. on total provincial debt. Skeena is a northern British Columbia forest products company that encountered financial difficulties beginning in the mid-1990's. In response to the threat of company closure, in 1997/98 the province (through a subsidiary called "552513 British Columbia Ltd.") acquired majority ownership interest in Skeena. As part of the transaction, Skeena's debts to its two major creditors (Royal Bank and TD Bank) were restructured. As at March 31, 1999, the province was the majority shareholder in Skeena, with a 65.6% ownership share.

The committee discussed the accounting treatment of Skeena's debt. Committee members learned that because the government has majority ownership of Skeena, the company's entire debt (including minority debt not guaranteed by the government that pre-existed the government's ownership involvement in the company) is considered in assessing total provincial debt as reported in the Debt Statistics report. However, this figure is not recorded on the balance sheet of the summary financial statement, which records the results of government commercial enterprises on a modified equity basis (reflecting government's equity in the enterprise) rather than a consolidated basis.

Committee members learned that the impact of Skeena's debt on total provincial debt as at March 31, 1999 was $220.8 million, up from $157.1 million as at March 31st of the previous year. The committee learned that because this debt is currently classified in the Debt Statistics report as "self-supporting" (based on the expectation that the company will become profitable within a reasonable number of years), the Auditor General and Comptroller General will be monitoring the company's profitability to determine whether re-classification of its debt to "taxpayer-supported" is necessary.

Sinking Funds

Sinking funds are investments set aside to repay debt. The committee learned that on June 1, 1999, the government changed its sinking fund policy, ceasing to make sinking fund contributions on existing and new Consolidated Revenue Fund debt issued for direct operating and capital financing purposes. This policy change affects approximately $19.2 billion of the $32.4 billion total debt outstanding as of March 31, 1999, but does not apply to Crown corporations and agencies. The rest of the province's debt continues to accumulate sinking funds, which according to representatives of the Provincial Treasury totalled $3.2 billion at March 31st, 2000, and will be used for eventual retirement of the respective debt obligations for which they were established. Credit rating agencies have stated that the policy change will not affect British Columbia's credit rating.

The committee discussed the positive and negative aspects of sinking funds. On the positive side, representatives of the Auditor General's office noted that sinking funds create a smooth repayment schedule for the debt liability, which is of particular assistance if the province must reborrow funds at the end of the debt term, and interest rates are high. They also advised that sinking funds reduce shifting of the intergenerational debt burden by providing for the repayment of current debt with current tax dollars. On the other hand, the committee learned that if government has to borrow to make sinking fund payments, as it currently does, it may not make economic sense to borrow money just to invest it. Moreover, the Ministry of Finance and Corporate Relations has determined that the annual cost of maintaining sinking funds has been approximately $10 million.

The committee learned that the result of the policy change is that the government's need to borrow will be reduced by $400 million during fiscal 2000, although net debt will remain the same, as lower debt will be offset by lower sinking fund balances.

Debt Management Plan

The committee examined the issue of debt management planning in British Columbia. The Auditor General has stated that, since introducing a debt management plan in the 1995 Budget, the government has repeatedly changed its debt plan goals and benchmarks, and that debt goals have become less specific, shorter in duration and less demanding to achieve. He has also expressed the view that the government's new five-year fiscal planning framework, introduced in Budget 1999, only partially discusses previous debt goals and appears to have abandoned previous debt management plans.

The Auditor General has advised that the government should adopt a debt management plan with goals that are measurable, achievable, stable and long-term, and that discloses all assumptions and contingencies.

The issue of debt management planning generated much debate within the committee. Some members felt strongly that the government lacks a clear long-term plan for debt management or retirement, while representatives of the Provincial Treasury emphasized that the five-year fiscal planning framework currently in place includes targets relating to debt management. There was also some debate as to whether zero debt should be a goal, or whether the province should instead strive for an affordable level of debt.

Conclusion

The committee's review of the Auditor General's *Report on Government Financial Accountability for the 1998/99 Fiscal Year, Parts I and II,* and testimony received from the Comptroller General and representatives of the Provincial Treasury, indicate that disagreement persists about some of the accounting policies applied in preparation of British Columbia's public accounts, as well as debt reporting and planning issues. Recent changes to the government's budget, estimates and public accounts processes, as introduced in the *Budget Transparency and Accountability Act* and related statutory amendments, as well as other initiatives undertaken or planned by the government, will address some of the concerns raised. However, the ongoing debate regarding the province's reporting entity, as reflected in the Auditor General's qualified opinion on the Summary Financial Statements, remains unresolved due to differing views of SUCH sector accountability.

Your committee looks forward to reviewing the status of these matters in the future, following the Auditor General's review of the 1999/00 public accounts for the province of British Columbia.

FOSTERING A SAFE LEARNING ENVIRONMENT: HOW THE BRITISH COLUMBIA PUBLIC SCHOOL SYSTEM IS DOING

INTRODUCTION

The Ministry of Education has undertaken to address school safety issues in a variety of ways, including curriculum designed to promote socially responsible behaviour, in-service training for teachers, and programs under the B.C. safe schools initiative. As well, school districts have initiated safe learning strategies of their own. The Auditor General's 2000/2001 Report 1, "Fostering a Safe Learning Environment: How the British Columbia Public School System is Doing," provides an assessment of the extent to which actions undertaken in the public school system in British Columbia are fostering a safe learning environment.

The audit examined programs for developing pro-social skills and reducing aggression, curriculum support and in-service training for teachers in promoting socially responsible student behaviour, policy guidelines for dealing with disruptive behaviour, and evaluation of safe learning initiatives. In the course of the audit, members of the audit team visited schools and conducted interviews in five school districts, talked with people from six other school districts, surveyed every school district in the province by distributing a random sample of questionnaires to teachers and school-based administrators, and supplemented the information they gathered directly with findings from surveys done by the Ministry of Education and others.

The Auditor General concluded that for most students in B.C., schools are generally safe places to spend time and learn, although in every school there are incidents of aggressive behaviour that negatively impact the learning environment and cause some students to feel unsafe. The audit determined that:

- the public school system has recognized this problem and has in recent years developed policies and programs to address it;
- curriculum for promoting socially responsible behaviour has been made part of the province's core requirements for kindergarten to grade 12; and
- early indications suggest that these efforts are worthwhile.

However, the Auditor General also noted that more needs to be done to fully implement the province's safe schools initiatives and to properly address the extent to which various strategies are working. To this end, 19 recommendations to the Ministry of Education and school districts are included in the Auditor General's report (a summary of these appears in Appendix III).

The committee met in October 2000 to discuss the conclusions of the audit. At that time, the committee received testimony from representatives of the Auditor General's office and the Ministry of Education. In its deliberations, the committee considered a range of issues related to the audit and school safety in British Columbia including:

- roles and responsibilities of schools, teachers, families and community;
- the status of the Effective Behaviour Support program, part of the ministry's safe schools initiative;
- early intervention and interministerial cooperation;
- curricular and extracurricular physical activity in relation to aggressive behaviour;
- consideration of safety in the physical design of schools;
- collection of data for tracking aggressive behaviour and learning more about practices and programs for promoting safe schools; and
- the costs and benefits related to implementing the recommendations of the Auditor General.

The committee heard that the ministry considers the report of the Auditor General a useful guide for advancing its programs and practices related to school safety. The ministry advised the committee in October

2000 that a workplan was being developed by the ministry to respond to the findings and recommendations of the report.

Issues Canvassed by the Committee

Roles and Responsibilities: Schools, Teachers, Families and Community

The committee discussed the role of schools, the education system's expectations of teachers, and the influence and involvement of families and communities

Roles of schools and teachers

The committee heard from ministry representatives that while, on one hand, schools reflect their communities and are influenced by them, on the other hand, students can be taught pro-social skills and can "lead communities by example." In other words, the ministry believes that pro-social skills can be transferred from school to community. However, ministry representatives also cautioned that safety issues must be dealt with by other parts of society as well. It was noted that students are only in school for 15 percent of their time.

Ministry representatives also indicated that the school system, rooted in an industrial model, may need to change more generally to reflect changes in society and the challenges of the world children live in. The ministry is looking at different configurations of schools, such as middle schools, the extended day, year-round schooling and distributed learning.

In view of the many recommendations in the Auditor General's report which pertain to the role and responsibilities of teachers, the committee raised the issue of the education system's expectations of teachers. Although not intended as a criticism of the report's recommendations, it was suggested that teachers are increasingly expected to assume responsibilities that should or used to be the responsibilities of family, such as teaching respect for others. Ministry representatives indicated that they are concerned about adding skill requirements for teachers in general. This issue, for instance, has been considered with respect to requirements in the area of special education.

Families

The committee discussed the role of the family with respect to the importance of parental involvement in school safety programs and with respect to support for families and intervention issues.

Parental involvement

Representatives of the Auditor General's Office and the ministry expressed support for strong parental involvement in school safety programs. The ministry emphasized the need for leadership from the teacher, the school administration and the district administration to get parents onside. For instance, leadership from the school and the district encouraged parental involvement that has been an important component in a study in the Sooke district on violence and aggressive behaviour.

Ministry staff noted that the ministry has been working with parents on a number of training activities. The ministry regards the B.C. Confederation of Parent Advisory Councils as a "critical partner" in the ministry's work on school safety and, for instance, collaborates with the confederation in training sessions for parents. In addition to participation in training activities, the ministry communicates with families about safety issues and resources that are available, such as recently produced parent guides for dealing with bullying, intimidation and harassment. These guides have been distributed to all parent advisory committees and are available through a toll-free number.

Support for families and intervention issues

Given that early childhood development and family background are identified as underlying factors for aggression in the Auditor General's report (appendix A), the committee raised the question of what the

education system can do to support families or to intervene as necessary when problems occur. Responses from ministry and Auditor General's Office representatives indicated that the issue, in part, extends beyond the Ministry of Education to other ministries and agencies.

The committee was advised that where student behaviour disorders or behaviour issues have been identified, there are various steps of intervention that can be taken by the school system. The school board can identify such students to the Ministry of Education and request additional resources to establish an individual education plan for the students. The school is required to consult with families in the preparation and monitoring of individual education plans. Another stage of intervention is school counsellors, who consult families and direct families to other community agencies. In extreme cases, where there is reason to believe that a child is at risk by a family's neglect and/or abuse, there is a legal requirement to contact a child protection social worker to address the situation.

Auditor General staff advised that there are programs under the Ministry for Children and Families for parents requiring support with parenting skills. However, in the course of the audit team's work the B.C. Coalition of Parent Educators indicated that program funding is apparently only available for parents who have been identified as having extreme difficulty in parenting rather than for parents experiencing less severe difficulties.

Ministry representatives drew attention to a North Vancouver pilot study in the area of early skills assessment and intervention and noted that the system must concentrate on the first years of schooling. However, they also highlighted the need for protocols for information-sharing amongst ministries (see Interministerial Cooperation, below) and the need to try to help parents with children from age zero to five. It was suggested, for instance, that resources may be better used for children from age zero to five rather than for expanding kindergarten from half-day to full-day schooling.

Community involvement

The role of the community was discussed by the committee in terms of community justice as an alternative to student suspensions and in terms of community-based safety programs where community agencies provide educational activities at schools.

Committee members expressed interest in the use of some form of community (or restorative) justice as a potentially more effective alternative to suspensions in addressing some instances of aggressive behaviour, similar to pilot projects in the criminal justice system. A committee member noted that criminal justice system pilot programs bring together respected members of the community with offenders in a peer judgment process as an alternative to conventional justice system processes. The committee was advised that under the *School Act*, R.S.B.C.1996, c. 412, as amended, the principal is in charge of the school, and the *Act* is very inflexible on the issue of suspension. However, ministry staff acknowledged that the *School Act* may not preclude a principal from setting up a community justice process involving community leaders to deal with incidents of aggression.

Ministry representatives suggested that dispute resolution or mediation processes need to be put in place as an alternative to the "lockstep" suspension process as it now exists. It was noted some school districts in the province work with the court system on community service issues. As well, one school has been working with the Justice Institute on conflict resolution for a number of years, and training is being provided for the school's teachers, janitors and students.

Some schools and districts have local police or other agencies visit schools with aggression-reduction programs which include activities such as drama and role plays. The committee heard that anecdotal evidence collected by the Auditor General's Office indicated that some community-based programs appeared to be quite effective, whereas some did not. Representatives of the Auditor General's Office also found that sometimes there is a lack of follow-up to reinforce material presented during a school visit at a later time and that there is a lack of measuring to track whether these programs have influenced students attitudes.

Influence of Media and Video Games

The committee expressed interest in whether the education system is addressing the influence of violence in television, other media and video games. Ministry representatives advised that media awareness is included throughout the curriculum.

Interministerial Cooperation

The committee considered the issue of legal concerns which might inhibit cooperation amongst the Ministry of Education, the Ministry for Children and Families and other ministries.

According to representatives of the Ministry of Education, school districts indicate that the biggest obstacle they are experiencing in coordinating necessary services is receiving information from preschool environments and working with other jurisdictions. The Ministry of Education also noted that the ministry was working with other ministries on an information-sharing protocol, including addressing systemic barriers in legislation applicable to various ministries. This new protocol is to be established while other existing protocols that comprise *Inter-Ministry Protocols for the Provision of Support Services to Schools* are being revised. The target date for completion of phase one of this work, including information-sharing and revision of five of 13 existing protocols, is spring 2001.

Auditor General staff advised that despite legal reasons that teachers and Minister for Children and Families workers may not be able to share certain details of a student's situation, a useful level of communication may still be possible. For instance, it may not be appropriate for the ministry to inform a teacher that a student is going to be in court because a parent may be abusing the child, but a ministry worker may be able to communicate that the student is going to be in court over a family matter.

Effective Behaviour Support Training

The committee expressed concern that Effective Behaviour Support (EBS) training had only reached about 2,000 educators from 300 schools in the province at the time of the report. The EBS system is a ministry-supported program that is based on a school-wide, comprehensive approach to aggression-reduction. Educators attend training sessions to enable them to deliver the program in the classroom. The Auditor General has recommended that the ministry expand its efforts to provide this training to educators.

Ministry representatives advised that as of April 2000, team-training sessions had been attended by 2,400 educators representing 500 schools. Further, some school districts have designated themselves as EBS school districts, where the program will be introduced throughout the district. In an independent evaluation of the EBS program, 150 schools self-identified as fully practising EBS schools, while a number of others indicated a lesser degree of implementation. In light of the Auditor General's recommendation to expand EBS training, the ministry recognizes the need to reach more schools with initial training and to return to schools currently practising EBS and allow them to enhance their programs. According to the ministry, the independent provincial study recently completed will inform how the ministry proceeds.

Physical Activity, Curricular and Extracurricular

The committee discussed the issue of student physical activity levels as a potential factor in reducing aggression.

Representatives of the Auditor General's Office indicated that the office did survey schools on issues related to physical activity, such as intramural sports, although the results were not disclosed in the Auditor General's report due to concerns about the accuracy of data. For instance, members of the audit team did not try to observe such activities in schools in order to collect evidence to back up questionnaire results. However, many schools surveyed indicated that they had activities such as noon-hour sports and that they felt these activities were valuable in reducing aggression. The committee also learned that although physical education was one of the topics the audit team decided not to include in the audit, consideration was given to including the issue.

Ministry representatives advised that physical education is required as part of the curriculum from kindergarten to grade 10 but is optional in grade 11 and grade 12. They also submitted that the issue of extracurricular physical activities involves the larger question of the role of school in society. As well, the committee heard that the *School Act* and collective agreements are also factors affecting the provision of extracurricular activities. Ministry staff drew attention to an interministry committee which is developing a provincial physical inactivity strategy. The committee includes the Ministry of Education and is chaired by the sport and community development branch of the Ministry of Small Business, Tourism and Culture.

Design of Schools

The importance of the physical design of schools as a factor to consider in attempting to reduce aggressive behaviour was acknowledged by representatives of the Auditor General's Office and the Ministry of Education. The committee learned that the Auditor General's Office considered including design of schools in its audit but decided not to include this (and some other factors) due to resource and time constraints. Ministry representatives noted that two resources available to schools, the *Safe School Planning Guide* and *Focus on Bullying*, make reference to the need to analyze the physical environment of a school and to have students themselves comment on what happens in different areas of the school (such as hallways, washrooms or the playground). Students are more at risk of physical and verbal aggression in particular areas of schools. According to ministry representatives, a number of approaches to school design have been tried over a 30-year period. The "perfect design" has not been established, but the ministry recognizes that safety must be considered in the design of schools.

Data Collection and Tracking Aggression

Tracking aggression

Challenges were identified in committee discussion regarding the ability of schools to track aggressive behaviour of students. They include the underground nature of bullying activities, the difficulty of establishing agreement on a common standard for defining behaviours and the fact that some bullying occurs off school premises.

While acknowledging challenges involved in collection of data, Auditor General staff outlined the expectations underlying their recommendation on this topic. In the report, the Auditor General recommends:

> *The Ministry of Education should develop a database for monitoring student aggression and encourage input from, and use by, schools and districts so that province-wide efforts can be properly evaluated and, if need be, modified. (recommendation 19)*

Auditor General staff suggest that if an incident occurs where a student is referred to a counsellor or a principal, then the reasons behind the incident should be tracked in addition to the fact that the incident has occurred. The audit team found that in the school district of Prince George, a teacher-counsellor had developed a database for school administrators to record details of incidents when students are referred to their offices for discipline. From the database, reports can be produced indicating staff or students who are experiencing greater difficulty and underlying reasons for a student's difficulty. School-wide problems, such as racism, can then be identified by administrators and addressed.

Ministry representatives expressed support for the intent and objectives of the Auditor General's recommendation in this area, but drew attention to some of the difficulties in implementing it. As noted above, challenges include the fact that bullying is often an underground activity and that different attitudes exist with respect to defining aggressive behaviour. Part of the ministry's strategy is therefore to consult and establish agreement on standards of behaviour. In addition, ministry staff suggested that training students as bystanders to identify and report incidents of aggression represents an important step in collecting data and addressing aggressive behaviour. Ministry representatives advised that they were uncertain as to how to address this recommendation but were researching the issue.

Data of schools and socioeconomic status

In its deliberations, the committee also questioned whether data on safety issues was available with respect to individual schools, districts or regions, particularly in relation to socioeconomic status.

Auditor General staff indicated that they did not have the resources to audit individual schools or districts. However, they did choose to include schools from areas with different socioeconomic backgrounds. Members of the audit team believed that socioeconomic factors played a role in school safety, but they did not visit enough schools of different types to draw such conclusions in their report.

The committee heard that the ministry does not systematically analyze data about school safety in relation to socioeconomic status, although profiles of school districts are provided by the ministry to schools to help them better understand their circumstances. However, the ministry does collect data on safety issues from individual schools through school accreditation reports. Survey responses from students indicate that they feel safer at the elementary level than they do in higher grades. As well, ministry staff indicated in October 2000 that a third of schools accredited in the previous year identified safety as a priority of the school, reflecting an understanding of the importance of safety issues.

Data on practices

The committee also expressed interest in whether data on safety issues was available in relation to community schools versus other schools or in relation to school lunch programs. Ministry representatives advised that community schools and school meal funding fall under the auspices of the Ministry for Children and Families. However, the committee was also told that part of the purpose of the Safe School Centre and the ministry's safe school initiative is to learn more about local practices and communicate solutions that other communities have found.

Cost-Benefit Analysis and Ranking of Recommendations

In its consideration of the Auditor General's report, the committee was interested in costs and benefits related to implementation of the report's recommendations and a ranking of these recommendations in order of importance. A key concern was whether additional resources are required or whether improvements can be made within existing budgets. Also, returning to the issue of the role of the school in society, a member of the committee asked whether the school system could be remodelled to meet the needs of today's society and concerns about school safety in a cost-effective way.

Ministry representatives suggested that there are ways to "work smarter" with existing dollars to enhance school safety. The Effective Behaviour Support program was cited as a program where, for example, resources directed to establishing behavioural expectations for all students may free resources that can be redirected to more difficult students. However, ministry comments also emphasized that many interconnected factors, from police/community programs like *Nights Alive* to a school's use of suspensions, contribute to safety in the school environment. Regarding the broader issue of remodelling schools, ministry staff noted that the issue must be examined wholistically by considering issues including legislation, funding, certification, training, school design and the attitudes of parents.

Auditor General's Office staff similarly indicated that many recommendations can be implemented with existing resources or modest increases in funding. The committee was advised of three recommendations requiring a larger investment from government, namely, recommendations 3, 10 and 13:

- *School districts should find ways to improve the involvement of elementary school-ground supervisors in initiatives to reduce aggression (recommendation 3);*
- *The Ministry of Education should assess the extent to which teachers would benefit from training in identifying students' special needs and in adapting teaching strategies to meet those needs. The initial focus should be on elementary teachers, to increase the chances that students will start off with the help they need to develop a positive relationship with their teachers and peers (recommendation 10); and*

- *School districts should offer more guidance to school administrators on how to improve the learning environment through positive means, and so assist in reducing the use of out-of-school suspensions (recommendation 13).*

According to Auditor General staff, implementation of these three recommendations would cost an estimated $14 million. However, representatives of the office caution that this figure represents a rough estimate developed with minimal consultation with those in the school system.

At the request of the committee, Auditor General's office submitted a ranking of the 19 recommendations that appeared in the report. Auditor General staff grouped the recommendations into five categories and then ranked the categories. Recommendations are not given a ranking within their respective categories. In order of priority, starting with highest importance, these categories were:

1. Early intervention (recommendations 1, 3 and 10);
2. Support for teachers (recommendations 2, 4, 6, 7, 8, 9, 14 and 16);
3. Support for administrators (recommendations 12, 13 and 15);
4. Coordination of efforts with other agencies (recommendations 5, 11 and 17); and
5. Evaluation of results (recommendations 18 and 19).

In the submission from the Auditor General's Office, early intervention has been ranked highest on the assumption that by addressing underlying reasons for aggression early on, fewer disruptions will occur during school years and the likelihood of interactions with the justice system will be decreased. As well, the office ranked the expansion of Effective Behaviour Support training (recommendation No. 1) highly because it felt that the principles of EBS are linked to most of the other recommendations. The remaining categories of recommendations have been prioritized in terms of likelihood of influencing student behaviour.

The Auditor General's Office acknowledges that benefits or effects of implementing the office's recommendations are difficult to quantify for the purposes of cost-benefit analysis. However, the office noted that some research studies suggest that, of the 6 percent of students who are considered overly aggressive, as many as 60 percent go on to be charged with crimes during their lives. In the Auditor General's Office submission it is reasoned that if aggression-reduction strategies can help to significantly modify the behaviour of even one aggressor at each school in the province each year, then the potential savings in future justice system costs is large enough to more than cover the estimated costs of implementing the recommendations.

CONCLUSION

Fostering a safe learning environment for students in British Columbia's public schools requires a multi-faceted approach, including school safety programs, appropriate curriculum for students and training for educators, cooperation amongst ministries, and ongoing evaluation of safety initiatives. While schools reflect and are influenced by society in many ways, your committee is optimistic that steps taken by the public school system to foster a safe learning environment can enable schools to "lead communities by example." At the same time, the committee notes that community and parental involvement and support are an important ingredient to the success of school safety programs and that responsibility for reducing aggression and violence in broader society extends beyond the public school system.

As noted in the introduction of this report, the ministry advised the committee in October 2000 that a workplan to address the Auditor General's recommendations was being developed. The report of the Auditor General specified that school districts should take action on ten of a total of 19 recommendations and assist the ministry in the implementation of the remaining nine. Ministry representatives advised that school districts are responsible for reviewing and implementing the ten recommendations which apply most directly to them but that the ministry would accept responsibility for engaging districts in discussion and assisting them. The committee was pleased to receive an initial progress report and workplan from the ministry in February 2001 identifying actions undertaken, or planned, to address most of the recommendations.

The Auditor General plans to complete a follow-up review of the status of recommendations relating to fostering a safe learning environment in the summer and fall of this year, and the committee looks forward to receiving more information on the progress of the ministry and school districts at that time.

Committee Recommendation

Your committee endorses the 19 recommendations of the Auditor General as set out in the Auditor General's 2000/2001 Report 1, "Fostering a Safe Learning Environment: How the British Columbia Public School System is Doing."

APPENDICES

I – SUBMISSIONS

Standards of Conduct in the Education and Health Sectors

- Ministry of Advanced Education, Training and Technology. Presentation to the Select Standing Committee on Public Accounts. March 8, 2000.
- — . "Summary Report on Institutional Responses to the Office of the Auditor General's Report on the Standards of Conduct in the Health and Education Sectors." January 31, 2001.
- Ministry of Education. Presentation to the Select Standing Committee on Public Accounts. March 8, 2000.
- Ministry of Health. Presentation to the Select Standing Committee on Public Accounts. March 8, 2000.
- — . "Response Tracking for Health Authorities - Standards of Conduct: Public Accounts Committee." January 19, 2001.
- Office of the Auditor General of British Columbia. 1999/2000 Report 9, "Pulp and Paper Effluent Permit Monitoring; Standards of Conduct in the Education and Health Sectors; Status of Public Accounts Committee Recommendations Relating to Prior Years' Compliance Audits."
- — . Presentation to the Select Standing Committee on Public Accounts. March 8, 2000.
- Owen, Peter. Letter to Kelly Dunsdon, Committee Researcher, Office of the Clerk of Committees, April 3, 2000.
- Ungerleider, Charles. Letter to All School Board Chairs, All Superintendents of Schools and Chief Executive Officer of the Conseil scolaire francophone de la Colombie-Britannique, January 10, 2000.
- — . Letter to Geoff Stagg, September 6, 2000.
- Van Rheenen, Peter. Email to Richard Morrow, Assistant Researcher, Office of the Clerk of Committees, November 3, 2000.

Government Financial Accountability for the 1998/99 Fiscal Year

- Office of the Auditor General. 1999/2000 Report 10, "Report on Government Financial Accountability for the 1998/99 Fiscal Year, Parts I and II." January 2000.
- — . Presentation/testimony to the Select Standing Committee on Public Accounts. May 30, June 6, June 27 and October 4, 2000.
- — and Office of the Comptroller General. "Province's Reporting Against the CICA Indicators of Financial Condition." February 14, 2001.
- Office of the Comptroller General. Presentation/testimony to the Select Standing Committee on Public Accounts. May 30, June 6, June 27 and October 4, 2000.
- Office of the Provincial Treasury. Presentation/testimony to the Select Standing Committee on Public Accounts. October 4, 2000.
- van Iersel, Arn, Comptroller General. "Follow-up Items from October 4th and 5th Public Accounts Committee." November 3, 2000.
- — . Letter to Craig James, Clerk of Committees and Clerk Assistant, re Analysis of 1998/99 Revenue Reported by School Districts, Hospital Authorities, Advanced Education Institutions and Universities. July 31, 2000.
- — . Letter to Craig James, Clerk of Committees and Clerk Assistant, re Office of Comptroller General response to questions raised during the May 30, 2000, Public Accounts Committee meeting

dealing with Part I of Office of the Auditor General report on the 1998/99 Public Accounts. June 2, 2000.

Fostering a Safe Learning Environment: How the British Columbia Public School System is Doing

- Ministry of Education. Presentation to the Select Standing Committee on Public Accounts. October 5, 2000.
- — . "BC Performance Standards. Social Responsibility: Draft Document." February 2000
- — . "Initial Progress Report/Workplan in Response to the Report *Fostering a Safe Learning Environment: How the British Columbia Public School System is Doing.*" February 2001.
- — . *Responding to Child Abuse: A Resource Kit for Superintendents of Schools.*
- — . *Responding to Critical Incidents: A Resource Guide for Schools.* Special Programs Branch, 1998
- — . *Focus on Suspension: A Resource for Schools.* Special Programs Branch, 1999.
- — and Ministry of Health. *BC Safe School Centre: Resource Catalogue.* October 2000.
- Ministry of Attorney General. *Being Aware, Taking Care: Resource Package: Addressing and preventing child and youth sexual exploitation.*
- Office of the Auditor General. 2000/2001 Report 1, "Fostering a Safe Learning Environment: How the British Columbia Public School System is Doing." June 2000.
- — . Presentation to the Select Standing Committee on Public Accounts. October 2000.
- — . "Cost-Benefits and Priorities for Implementing Recommendations from Auditor General 2000/2001: Report 1 on Fostering a Safe Learning Environment." December 2000.
- Siegel, Linda and Stewart Ladyman. "A Review of Special Education in British Columbia." UBC and Ministry of Education.
- Stephens, Tom. "Youth Mental Health in British Columbia: Implications of Policy and Practice: A presentation to the Education Advisory Council." Vancouver, May 2000.
- Tremblay, Mark S. and J. Douglas Willms. "Secular trends in the body mass index of Canadian children." *CMAJ.* November 28, 2000.

II - Research Documents

Standards of Conduct in the Education and Health Sectors

- Office of the Auditor General of British Columbia. 1996/97 Report 10, "Privacy - Collection of Personal Information by the Ministry of Health; Ethics Codes in the Public Sector; Status of Public Accounts Committee Recommendations Relating to Prior Years' Audits."
- Select Standing Committee on Public Accounts. Third Report, Third Session, Thirty-sixth Parliament. "The Corporate Human Resource Information and Payroll System (CHIPS); The Reporting Entity; Enhancing Accountability for Performance in the Public Sector; Management of Government Debt; Governance and Accountability in the Regionalization of Health Services; Loss Reporting in Government Waste Management Permit Fees; Motor Dealer Act; Retention and Disposal Application."

Fostering a Safe Learning Environment: How the British Columbia School System is Doing

- Bonilla, Denise, ed. *School Violence.* New York: H. W. Wilson, 2000
- British Columbia Teachers' Federation. "Task Force on Violence in Schools: Final Report."
- British Columbia Children's Commission. "Bridging Cultures Can Be Tough for Teens." Press release. January 10, 2001.

- Craig, Wendy M., et al. "Bullying and Victimization Among Canadian School Children." Human Resources Development Canada, October 1998.
- Day, David M., et al. "School-Based Violence Prevention in Canada: Results of a National Survey of Policies and Programs." Corrections Branch, Ministry of the Solicitor General of Canada. 1995.
- Dill, Vicky Schreiber. *A Peaceable School.* Bloomington, Indiana: Phi Delta Kappa Education Foundation, 1998.
- Hoffman, Allan M., ed. *Schools, Violence, and Society.* Westport, Conneticut: Praeger, 1996.
- MacDougall, Jyl. "Violence in the Schools: Programs and Policies for Prevention: A Report from the Canadian Education Association." 1993.
- Safer, Andrew. "The Online Health Relationships Project." Caledon Institute of Social Policy, June 1999.
- Walker, Sandra Gail. "Weapons Use in Canadian Schools." Ministry of the Solicitor General Canada. 1994.

III - Recommendations of the Auditor General

Standards of Conduct in the Education and Health Sectors

The Office of the Auditor General included in its 1999/2000 Report 9 the following recommendations for consideration by the Ministry of Advanced Education, Training and Technology, the Ministry of Education, and the Ministry of Health, being the ministries responsible for the province's education and health sector organizations:

1. Each public sector organization in the education and health sectors should have standards of conduct for its board members, senior officials and employees.
2. There should be comprehensive and reasonably uniform standards of conduct for public business and the stewardship of public resources throughout the public sector. The government's Public Service Employee Relations Commission has issued "Standards of Conduct for Public Service Employees" and Ministry of Health policies require the health authorities to include the topics covered by these standards in their own standards for their employees. We believe that the province's publicly-funded school districts, colleges, educational institutes and universities should consider developing standards along the same lines.
3. There should be a senior official in each organization who is designated as the standards-of-conduct officer, who is responsible for the administration of standards of conduct in the organization. The individual should be supported by a committee of the board or some other senior group.
4. Formal processes should be established in each education and health sector organization to ensure that standards are reviewed on a regular basis, and updated where necessary.
5. Orientation in ethical topics for existing officials and employees should be increased in all education and health sector organizations to sensitize individuals and heighten their awareness as to the requirements of the standards of conduct.
6. Public accountability reporting about the existence of standards of conduct, their usefulness to the organization, and the processes for administering them should be considered by the education and health sector organizations so that the public is better informed about the existence and value of the standards.
7. Monitoring for compliance with the standards of conduct on a periodic basis should be considered.

Fostering a Safe Learning Environment: How the British Columbia Public School System is Doing

The Ministry of Education should:

- expand efforts to provide Effective Behaviour Support training. (#1)
- along with the Ministry of Attorney General, develop ways of giving priority to improving the database and website of the BC Safe Schools Centre. (#2)
- re-organize the grade collection for Career and Personal Planning curriculum to assist secondary teachers in ranking the usefulness of listed resources, and notify teachers when it is available. (#6)
- call for meetings with the province's universities and the College of Teachers to emphasize the need for mandatory pre-service courses for teachers on classroom strategies for dealing with difficult behaviours and for delivering Personal Planning and Career and Personal Planning curriculum. (#7)
- identify or develop suitable resources for teachers and students to recognize and report student depression and suicidal gestures. (#8)
- provide teachers with suitable guidance for encouraging tolerance and respect for students of same sex orientation. (#9)
- assess the extent to which teachers would benefit from training in identifying students' special needs and in adapting teaching strategies to meet those needs. The initial focus should be on elementary teachers, to increase the chances that students will start off with the help they need to develop a positive relationship with their teachers and peers. (#10)
- resolve with senior representatives of the ministries of Attorney General and Children & Families coordination problems in developing and distributing safe learning policy guidelines. (#11)
- work with school districts to develop specific guidance for school administrators on how to give feedback to teachers in a constructive way, and on how to manage the grievance process. (#15)
- consider examining schools and districts where student academic performance is significantly below provincial averages, so that underlying reasons can be identified and possibly addressed. (#18)
- develop a database for monitoring student aggression and encourage input from, and use by, schools and districts so that province-wide efforts can be properly evaluated and, if need be, modified. (#19)

School districts should assist in the above, as well as:

- expand efforts to provide Effective Behaviour Support training. (#1)
- find ways to improve the involvement of elementary school-ground supervisors in school initiatives to reduce aggression. (#3)
- do more to address student aggression at the secondary level, by increasing efforts to monitor and reduce aggression, and encouraging students to report concerns. (#4)
- follow up on contributions by outside agencies to reduce aggression by making sure lessons presented are properly integrated with subsequent classroom exercises. Also, the extent to which presentations have been effective in influencing student attitudes and behaviours should be determined, possibly with the help of those who originally made the presentations. (#5)
- provide teachers with suitable guidance for encouraging tolerance and respect for students of same sex orientation. (#9)
- have their own critical incident plans tailored to particular district and school circumstances. These plans should include details of who must do what, when and where in a critical situation. As well, districts should periodically provide training and practice sessions to all school administrators. (#12)

- offer more guidance to school administrators on how to improve the learning environment through positive means, and so assist in reducing the use of out-of-school suspensions. (#13)
- encourage school staff to clarify and enforce student behaviour expectations that are included in school codes of conduct. (#14)
- encourage students to come forward with concerns about how school staff are interacting with them. This should include better means for reporting and follow up at the school level as well as the school district level if concerns are not properly addressed. (#16)
- develop ways to improve case management for "at risk" students, involving school staff and staff from the Ministry for Children & Families. (#17)